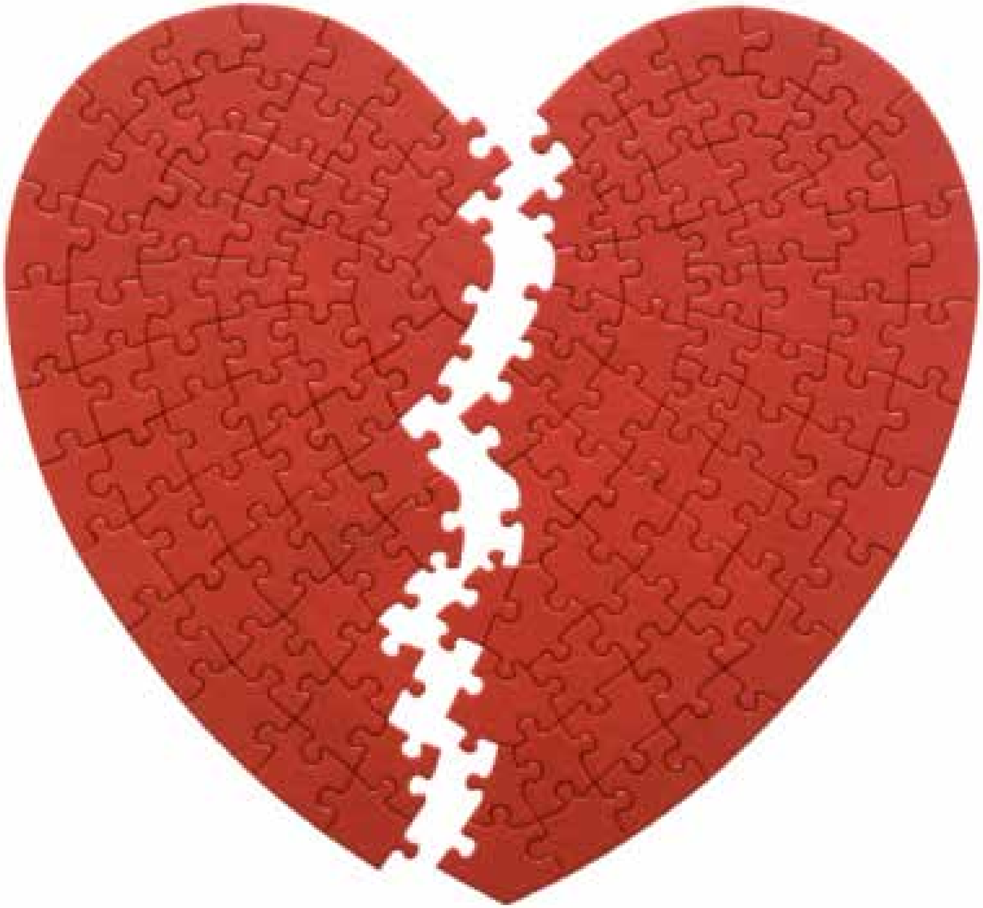
Is breaking up hard to do?
Divestment Survey 2012



Merger and Acquisition Services

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Introduction

Divestments come of age

Markets have always found it easier to understand acquisitions than divestments. Acquisitions are exciting and positive, a sign that a company is moving forward, while divestments have often been viewed as a retrograde step, a sign of failure. Whereas companies have traditionally explained acquisitions in terms of added value and beneficial for earnings, divestments have been seen as a harder sell.

The signs are this state of affairs is changing. Years, sometimes decades of acquisitions, have produced unwieldy structures whose value is not always clear to shareholders. In this context, deconstruction is not a backward step, but a necessary and logical step to create value, particularly at a time of economic difficulty in Europe.

That divestments create value is more than conjecture: in a recent Deloitte report[1], it was found that divestments are viewed favourably by investors. This is particularly true in the mid-market, where two-thirds of companies completing divestments outperformed their index.

Companies are catching on fast. Further research[2] predicted that global divestments (including spinoffs) will rise from £130bn in 2011 to £250bn in 2012, as companies restructure their business portfolios to bolster their balance sheets.

This huge (92 per cent) rise, while a ringing endorsement for the value of divestments, should also give pause for thought. While the acquisition and integration process is well understood by many companies, they are usually less practiced in the art of selling. Carrying out divestments requires the same deep levels of human capital and corporate understanding as making acquisitions. Just as ill-judged and poorly-executed purchases can destroy value, so badly-constructed divestments can fail to produce the anticipated value. Even executed well, the costs of divestment can be higher than expected.

With these challenges in mind, Deloitte surveyed companies that have made recent divestments to assess and analyse their success in a number of key areas. In particular, the survey focuses on where they created value and where value is left on the table.

Some of the survey findings were genuinely surprising, showing that a number of common-sense divestment strategies and tactics are frequently overlooked. It confirmed that divestments are considerably less straightforward than many companies anticipate. Failing to address these will have an impact on the value that is achieved through the divestment process.

We believe this report will be valuable to all companies that are making, or plan to make, divestments. The findings and learning points are likely to be instructive in internal conversations and in dialogue with shareholders of the business.

We wish you every success with your future divestments.

1 *Upfront, Doing the Right Deal*, Deloitte, 2012

2 *'A Decade of Corporate Spinoffs, Volume 1'*,The Spinoff Report, February 2012

Executive summary

Are you still the best owner of a business?

Amid slow growth and difficult debt markets, companies are more than ever reassessing their business portfolios. Over the coming three years, nearly half of the companies surveyed say they will divest three or more businesses. The primary reason that a company seeks to divest a business is that it is not viewed as core to the future strategic direction of the company. However, a significant number – just over a fifth – divest businesses solely to improve their financial position. More than a third conduct evaluations of individual businesses only when they underperform. Companies that wait until non-core businesses are underperforming will find marketing them considerably tougher. They are best served by acting like private equity houses and reviewing their businesses regularly with a view to extracting maximum value from the ones they might potentially divest.

Structured separation planning & execution

Almost three-quarters of respondents have a formalised execution process for divestments, suggesting a maturing of separation activities. However, more than a quarter of surveyed businesses do not consider a transition plan to be key to bringing a deal to market. In addition, less than two-thirds think it is important to assign a dedicated team of internal resources to prepare the business for sale. In our experience, the most successful deals involve a dedicated team, whose members are focused on the divestment process rather than on their day jobs.

To maximise the sale price and ensure speed-of-sale, the divestment process should be approached from the mindset of a buyer, constantly re-assessing their requirements and trying to stay 'one step ahead' as the transaction process progresses.

Widening the buyer universe

Cross-border corporate buyers are approached in almost two-thirds of transactions so the importance of marketing across borders is well understood. Less understood are the potential benefits of marketing to private equity groups, both at home and abroad. Local or cross-border marketing to private equity firms is undertaken in only a third of divestments. This is surely an oversight: many private firms buy across borders. They often have significant firepower, add competitive tension to the auction process and look across sectors for the best companies regardless of where they are geographically. A divesting organisation should avoid the temptation to discount private equity firms from the sales process. Increasing the number of bidders is more likely to lead to a higher sales price. Irrespective of the range of bidders, companies are best off keeping their options open and not nominating a preferred bidder too early in the process.

Complexity and timeframes of divestments frequently under-estimated

Many organisations find it difficult to fully anticipate and plan for the complexity of divestments – even those that have undertaken a number of previous disposals. This can have an impact on the value generated from the divestment and lead to slippage in the planned timeframes for the sales process. It can also have a knock-on effect on the remaining business. Although the majority of respondents say they have a formalised divestment process, half of all disposals take longer than expected – and only 6 per cent less than expected. We know from our own research that there is a positive correlation between the time taken to prepare a business for sale and the average share price return. So the selling organisation is well advised to start its separation planning early to ensure focus on the material issues that will impact value and to minimise disruption to business-as-usual activities.

Making a quick exit

It is often only through the disposal process that the dependence of the divested business on its parent becomes clear. It is important separation planning includes options for transitional services, which aim to minimise the seller's ongoing obligations, as well protect the seller's ongoing business from management distraction and unnecessary costs. The selling organisation would be well advised to structure the agreements in such a way that they increase the incentive for the buyer to migrate to its own service provision as quickly as possible post completion.

Planning transitional services as part of the deal can considerably ease the sales process and make the acquisition more palatable to potential buyers who would otherwise not be able or willing to engage in the bidding process. This is particularly relevant in the cases of companies who do not have existing infrastructure and services to move to, immediately post completion.

Dealing with stranded costs

When a company divests a material business unit it is often left with a legacy cost structure that is bloated compared with the size and scale of the retained business. The seller has to plan well to make sure that stranded costs do not permanently impair shareholder value. Sometimes the vendor is able to transfer shared cost areas as part of the disposal, but often this is not possible. Where the cost involves a property or a large, integrated IT system or an inflexible contract with a supplier, the costs often cannot be split. These costs can be considerable – sometimes more than 7 per cent of total revenue, according to the survey – but are often addressed late, if at all. Rather than stranded costs being an afterthought in a divestment, they are best identified and planned for as early as possible in the transaction process.

Are you still the best owner of the business?

There appears to be a schism in the corporate world. While the revenues and balance sheets of many emerging market companies have rarely been so strong, in Europe a good many businesses are still in survival mode. With the exception of the top global blue-chip companies, slow growth and difficulty raising capital has led to huge financial pressures.

Boardrooms of European companies are populated with questions and frowns. Which of our businesses add most value? Which are core and which are non-core? Which have future potential that we want to invest in and grow and which could be a drain on resources? In other words, many directors are asking whether the company is still the best owner of all its businesses.

The aim of this soul-searching is to bolster shareholder value. It is tough to grow your way to higher profits and dividends in this climate, so divestments are a natural path to creating value.

Many companies seem to have come to this very conclusion: all respondents in the survey have completed at least one divestment during the past three years and a substantial number have concluded more than three in this timeframe. Over the coming three years, just 8 per cent say their company won't divest at least one of its businesses, while nearly a half are likely to divest three or more businesses.

Figure 1. The number of divestments completed by your company over the last 3 years, and how many divestments your company is likely to attempt over the next 3 years

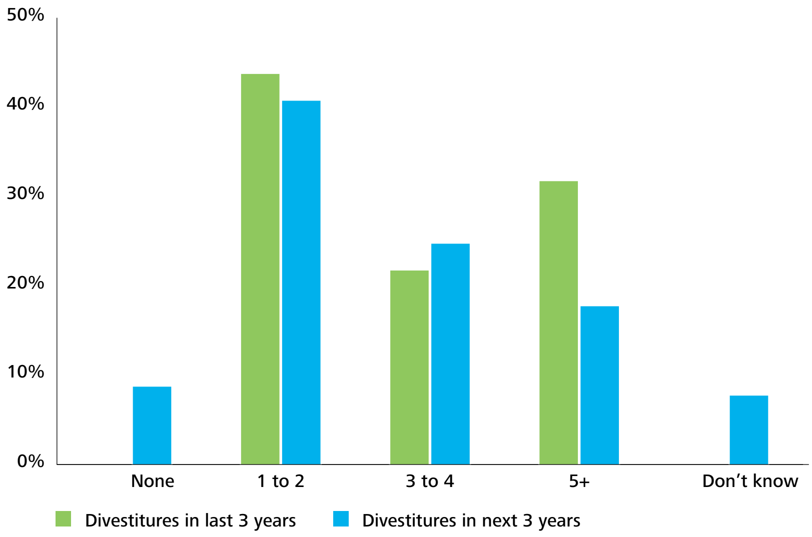
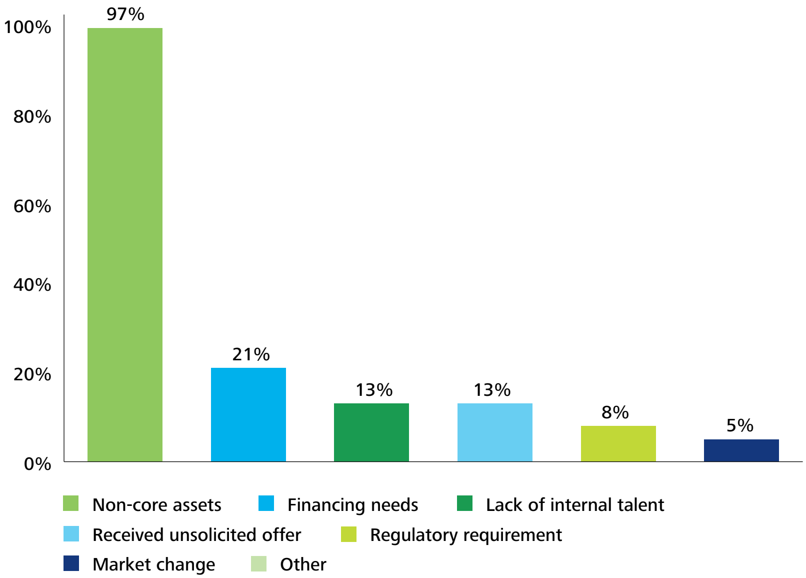


Figure 2. The primary reasons for carrying out a divestment



The primary reason that a company seeks to divest a business is that it is not viewed as core. As resources become more limited they are seen as better employed to improve the competitive position in core activities rather than to develop peripheral businesses. However, a significant number – just over a fifth – divest businesses solely to improve their financial position, reflecting distressed balance sheets at some companies.

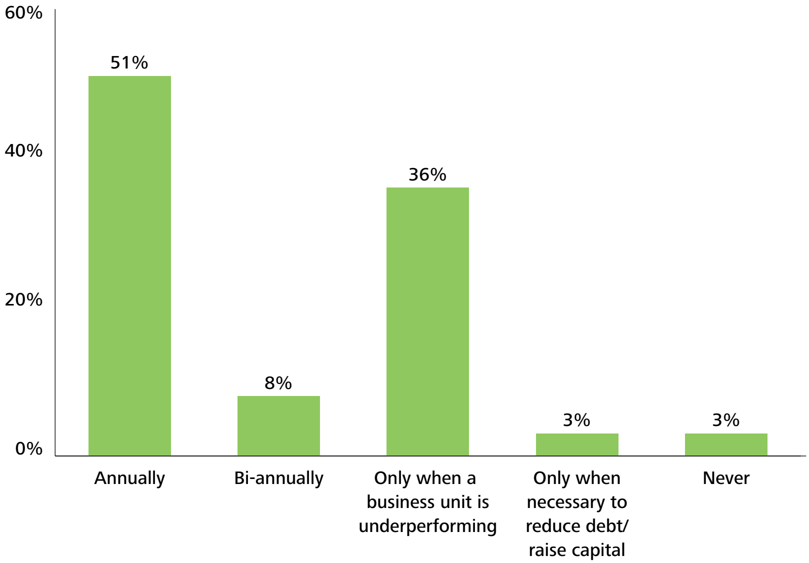
The rationale differs from company to company and from sector to sector. In some sectors – notably financial services – disposals have been precipitated by political and regulatory pressure. Capital adequacy rules and risk compliance requirements contained in Basel III, Target 2 and Solvency II regulations are likely to lead to further financial services divestments.

In the consumer sector, below-trend growth in Europe is likely to lead to further divestments, while in oil and gas more companies are considering divesting downstream activities to invest in higher margin upstream business. The costs of separating a business from the parent also vary considerably across sectors. In the manufacturing sector, incentives are higher to separate businesses. A Deloitte study[3] found it is cheaper to separate business divisions in the manufacturing sector than in the services sector.

The wave of divestments in the post-2008 period indicates that many companies do not perform routine evaluations of individual business units. The survey found that while regular review processes are entrenched in the corporate culture of about half of companies, more than a third conduct assessments only when businesses underperform. One of the lessons learned from the under-performance of many financial services companies is that distressed and unplanned divestments create neither short- nor long-term shareholder value for sellers. Markets consistently penalise such deals.

On the other hand, the longer parent companies take to prepare divestments, the higher the average share price increase[4]. When divestments are well planned and well signalled, investors and analysts have sufficient time to analyse the potential value created.

Figure 3. Frequency of performing a routine strategic evaluation of individual businesses to determine whether they should continue to be owned and operated or divested



3 Deloitte Separation Complexity Index, 2009

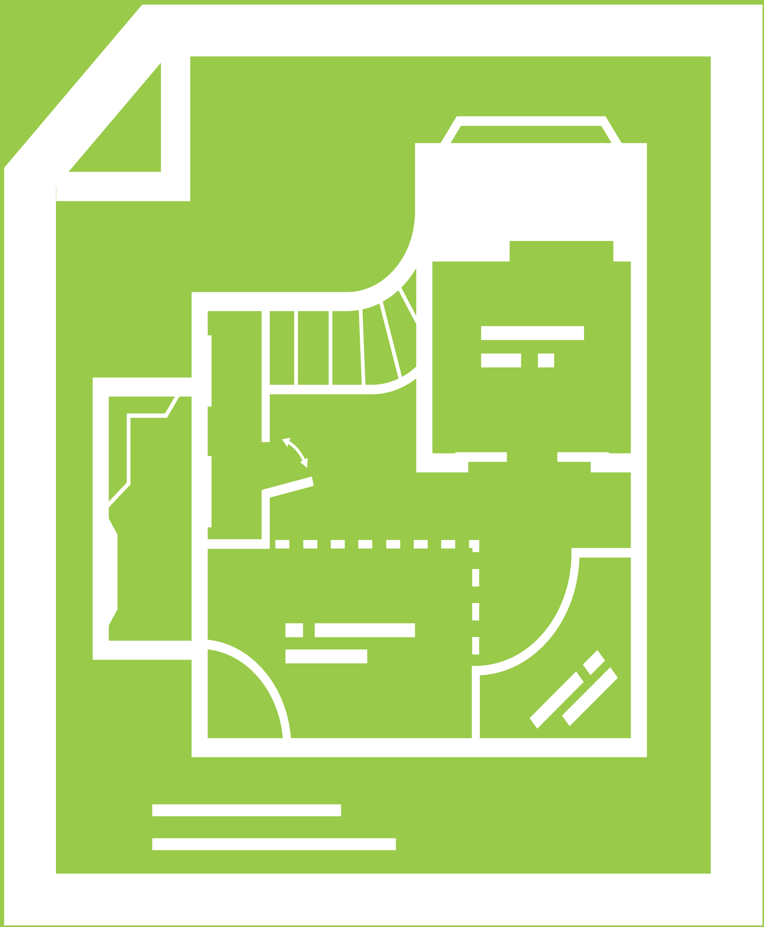
4 *'A Decade of Corporate Spinoffs, Volume 1'*, The Spinoff Report, February 2012

Deloitte viewpoint

Companies that regularly review the performance of their individual parts are likely to derive more value from divestments. Reviewing regularly, not just when companies run into trouble, will help achieve higher prices for divested businesses. Companies that wait until non-core businesses are underperforming will find marketing them considerably tougher. A structured approach to divestments is key to supporting a company's overall strategy and to maximise value from a sales process.

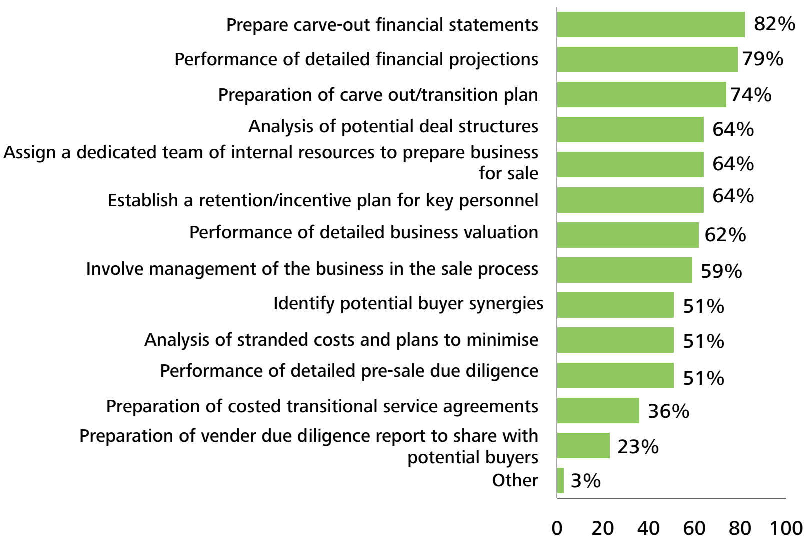
It is worth looking at the private equity model, where owners of businesses typically incorporate exit planning into their business plan from the very start, taking steps to ensure the business will become more attractive to future owners. This approach needn't be the preserve of private equity. All companies can do it, particularly as divestments are becoming more mainstream and are no longer seen as an embarrassment or a sign of failure. When Deloitte talk to companies about managing their portfolios, we frequently encourage them to act like a private equity house and review their businesses regularly with a view to extracting maximum value from the ones they might potentially divest.

Structured separation planning & execution



Divestments are sometimes viewed as painful, something to be completed as quickly as possible so that the company can focus on their future growth. However, divestments can also be viewed as a necessary and natural part of the corporate cycle. A successful divestment improves a company's capital position and provides a more efficient, cleaner and transparent structure that adds value for shareholders. Like any other aspect of running a business, this calls for proper strategic planning and skilfully implemented execution.

Figure 4. Which of the following are key to perform, prior to bringing a deal to market?



Many companies recognise these requirements. Almost three-quarters of respondents have a formalised execution process for divestments, suggesting a maturing of separation activities across the board.

The activities that are deemed to be crucial to bringing a deal to market are: preparing financial statements, followed by the preparation of detailed financial projections and transition plans. However, more than a quarter of surveyed businesses do not consider a transition plan to be key to bringing a deal to market. It should be noted that the importance of preparing a transition plan for a divestment will depend on the level of interaction with other parts of the group and the degree to which there are shared or integrated services such as IT, HR and finance.

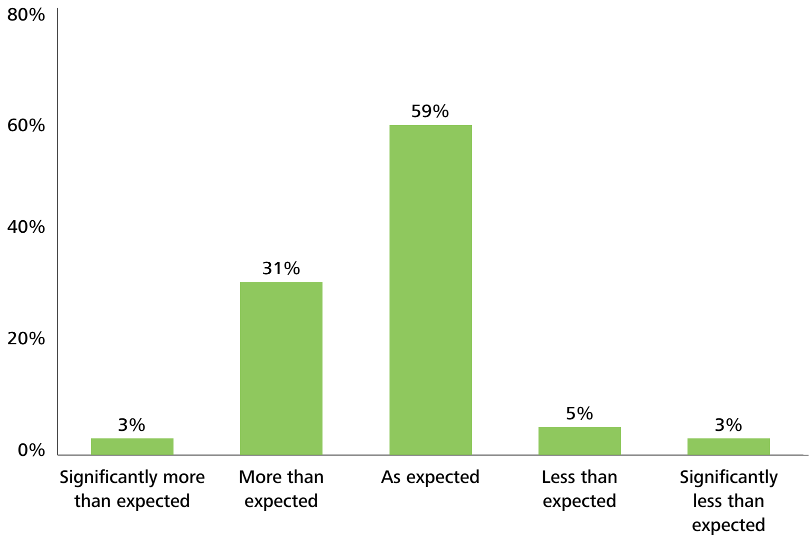
In addition, less than two-thirds think it is important to assign a dedicated team of internal resources to prepare the business for sale. This perhaps reflects a paucity of financial knowledge on some boards. Although the number of FTSE 100 CEOs with a financial background has increased by two-thirds since 2008[6], there is still some way to go before boards have strong financial skills, including M&A and divestment skills.

The most successful deals are assigned a dedicated team, whose members are focused on the divestment process rather than on their day jobs. This team typically knows the divested business well and can report back on key issues and cost implications, of which the M&A decision-makers are not always aware.

Only a half of respondents believe that identifying potential buyer synergies is important. Meanwhile just 36 per cent prepare costed transitional service agreements and 23 per cent prepare vendor due diligence reports to share with potential buyers.

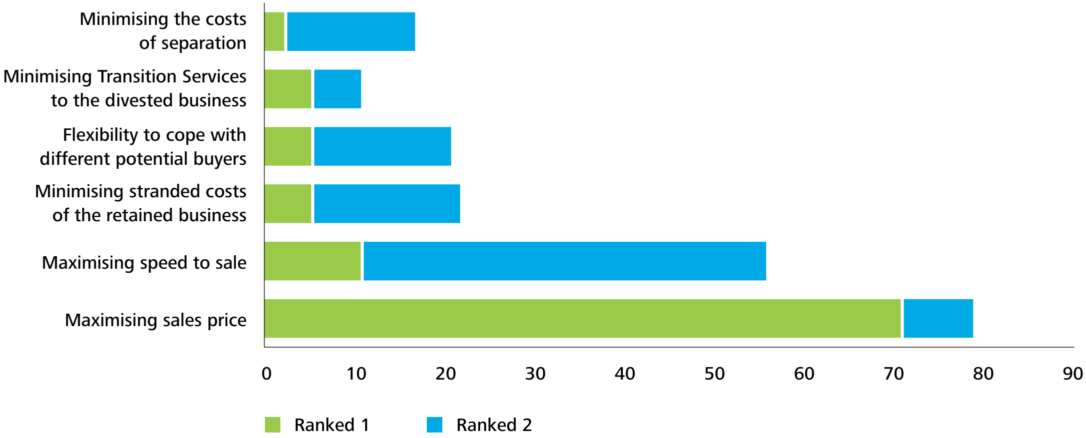
While the buyer will undoubtedly perform thorough due diligence, sellers seeking to achieve the best price and a quicker sales process often prepare due diligence reports of their own, particularly relevant when disposing of a business which isn't stand alone and/or has its own financial statements. These vendor reports have become more commonplace and provide bidders with an independent view on the business to be sold. Pre-empting issues that the buyer will flag in the due diligence process and suggesting options for resolving them will enhance trust and is more likely to lead to a successful sale.

Figure 5. Did you get the value you expected for your divestment?



6 *Upfront*, Deloitte, 2012

Figure 6. The priorities used in preparing a business for divestment



The majority of respondents have realised the value they expected from their past divestments. But there is a hidden story here too. Almost half of them have also recently experienced failed divestitures because they did not receive sufficiently high offers for deals. The key question is why they failed to achieve the expected price. In addition to bidders not finding the business as attractive, it is very likely a flawed process will result in this situation occurring.

Whilst maximising the sales price and speed to sale are named as the key priorities by respondents, maximising value for the parent will also be dependent on the other priorities: minimising the costs of separation, dealing with a number of potential buyers and minimising stranded costs. These are examined in more detail in the sections below.

Deloitte viewpoint

A dedicated separation team and the structured preparation and execution of a robust divestment plan helps to avoid value erosion in a market environment in which bidders are particularly vigilant.

Within larger organisations with integrated services, the divestment of a business is often complex. They have typically created group-wide IT systems and processes, such as ERP solutions and shared service centres providing support services for HR, finance and procurement. The large number of intricate linkages between a disposal target and its parent will require an unravelling process that can only take place as part of well-structured separation planning. Often we are told that the business for sale is 'stand alone' from the rest of the company. However, we typically find in excess of 100 linkages between the business to be sold and the parent. Bidders will want to understand how these services will work on Day 1 when the keys to the business are handed over. The extent and complexity of these arrangements is sometimes under-estimated by management teams, which can lead to value erosion during a sales process. Bidders will look for every opportunity to 'chip' away at the sales price and increased separation risk is often a factor applied by bidders.

With sellers' emphasis on closing a deal quickly and establishing an operationally separated and stable business on Day One, key individuals should be tasked with delivering the key separation projects, such as data segregation in shared operational and financial systems. A clear and well described separation planning process will help identify the material issues that have the most impact on value as well as the long lead time projects that need to be initiated early on in the process. Where private equity is a potential buyer, this will also include presenting the business as a standalone entity.

To maximise the sale price and ensure speed-of-sale, the divestment process should be approached from a buyer's perspective, constantly re-assessing buyer requirements as the transaction process progresses.

The buyer may have no operational capabilities at all, requiring the seller to set out a blueprint for creating a standalone business, including offering transitional services. As a preferred bidder emerges, the separation plan can be reassessed to optimise the transfer. This approach enables the seller to minimise its separation costs.

As a rule, staying one step ahead of the buyer's requirements increases the chances of achieving a quicker and higher-value sale.

Widening the buyer universe

It is hardly surprising that maximising the price achieved is seen as the most important aspect of the sale process. Value, after all, is a function of price.

Widening the buyer universe is one way to maximise the price, but the evidence is that companies do not explore all their options in this respect.

Cross-border corporate buyers are approached in almost two-thirds of transactions, according to the survey, so the importance of marketing across borders is well understood. Less understood are the potential benefits of marketing to private equity groups, both at home and abroad. Local or cross-border marketing to private equity firms is undertaken in only a third of divestments. This is surely an oversight: many private equity firms buy across borders. They often have significant firepower and look across sectors for the best companies regardless of where they are geographically.

Figure 7. Primary determinant/key factor in choosing the buyer

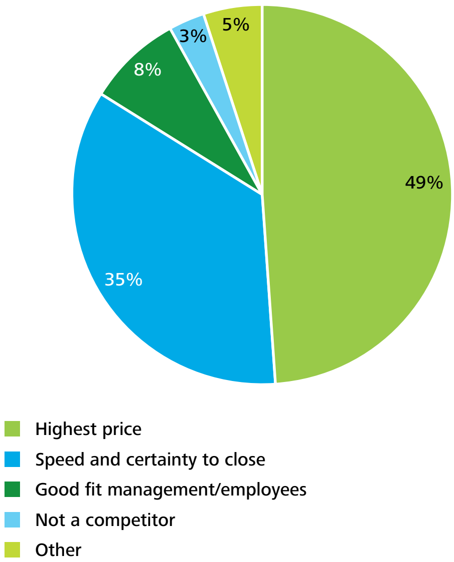
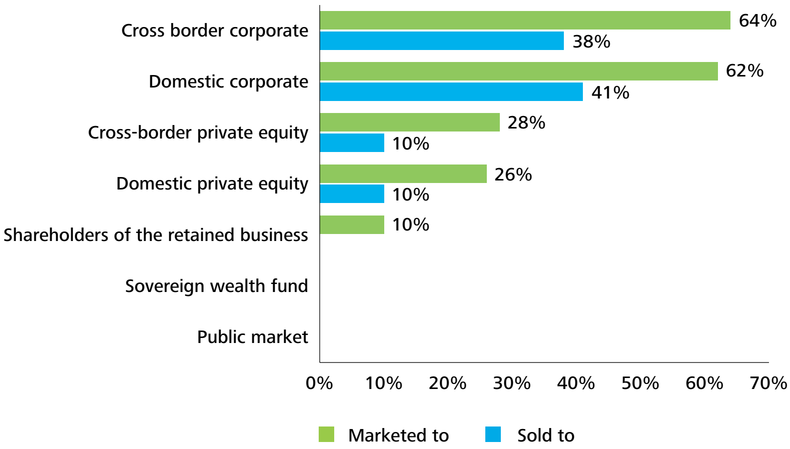


Figure 8. Type of buyer the business was marketed and divested to



Businesses tend to have a preference to sell to trade buyers because they have a deeper relationship with them and believe the deal process will be smoother and therefore generate higher value than with a private equity firm. However, opening up the potential buyer universe to include private equity is significantly more likely to generate a higher deal value. This approach does require the seller to make the business to be divested attractive to both corporates and private equity firms, which requires additional marketing and preparation. It may require setting out options for creating standalone finance, HR and IT systems, for instance.

Deloitte viewpoint

Attracting multiple bidders increases the seller's bargaining position which can significantly increase deal value. Trade buyers are often sought because costs related to the setting up of finance, HR and other functions can sometimes be avoided. However, private equity firms are often able to move through the transaction process at a greater pace than corporate buyers because they usually have considerable deal experience and can allocate dedicated teams to the process. In addition, in the current economic cycle where corporates have little access to acquisition debt, private equity firms tend to be well funded and, despite difficult debt markets, are in a strong position to close deals.

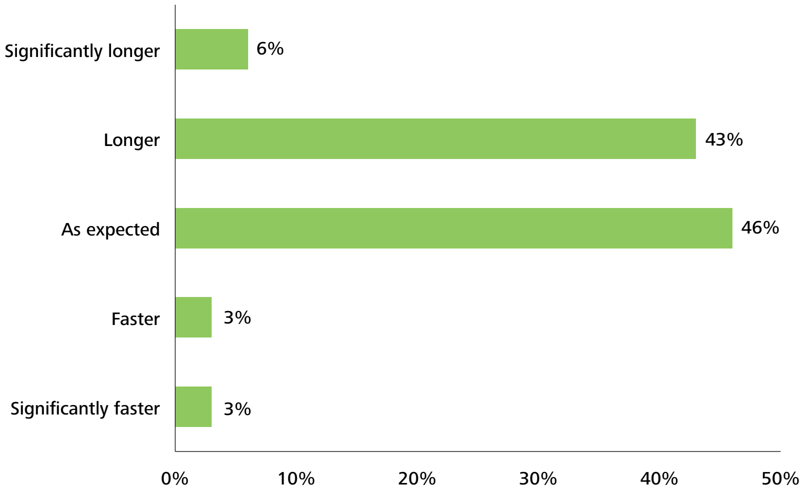
In short, a divesting organisation should avoid the temptation to discount private equity firms from the sales process.

Regardless of the range of bidders, companies are best off keeping their options open and not nominating a preferred bidder too early in the process. Keeping your options open has been shown time and time again to help achieve a better price.

Timeframes of divestments are frequently under-estimated

Just as the M&A process is often more vexed than anticipated, so the divestment process can provide unwanted surprises. Many organisations find it difficult to fully anticipate and plan for the complexity of divestments – even those that have undertaken a number of previous disposals. This can lead to slippage in the planned timeframes which can impact the divestment and also have a knock-on effect on other business areas and activities. Although the majority of respondents say they have a formalised divestment process, half of all disposals take longer than expected – and only 6 per cent less than expected.

Figure 9. Did the divestment process to completion take more or less time than you expected?



The reasons for this include: the length of time for getting internal alignment on the divestment; creating the optimal deal structure; preparing financial information; creating the separation plan and handling the auction process. All of these are time-consuming and involve numerous potential pitfalls.

Without a well-structured and sufficiently resourced separation programme, the incremental separation-related workload risks negatively impact on business-as-usual performance. The reality is that most separation programmes require some of the organisation's most capable employees to commit significant time to the process, representing a sizeable loss of time and resources to the parent company.

Achieving a sale is usually accompanied by some euphoria. Yet the signing of the purchase agreement is not the end-game. The completion horizon has moved closer, but is not within reach just yet. There can be a considerable lag between purchase and completion, primarily due to regulatory reviews, which is frustrating for all parties concerned.

Once the decision to sell has been taken, most companies want to move as fast as possible to completion. They have stakeholders and shareholders who will be aware of the pending sale, so a slow process will only create doubt. Yet more than half of all disposals take over six months between signing a deal with a buyer and handing over the keys. Nearly a fifth take over a year.

The main drivers of the lag between purchase agreement and deal completion are anti-trust approval and business separation issues. Local or industry regulatory approvals can also hold up the process so keeping the regulator onside throughout with early and regular engagement is essential.

Figure 10. Time period between the execution of the purchase agreements and completion

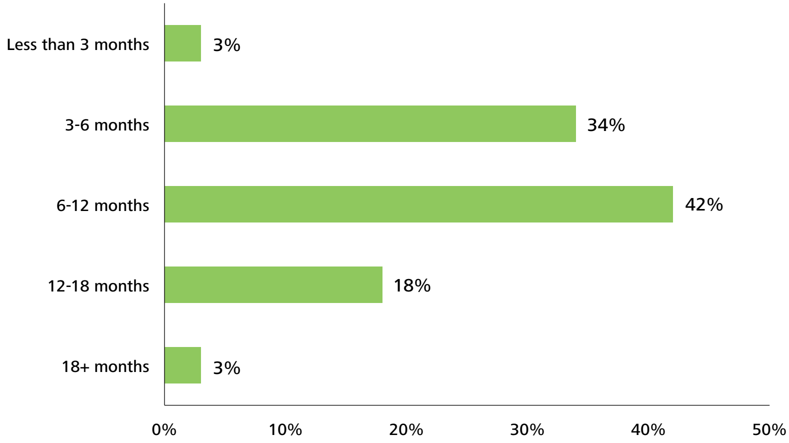
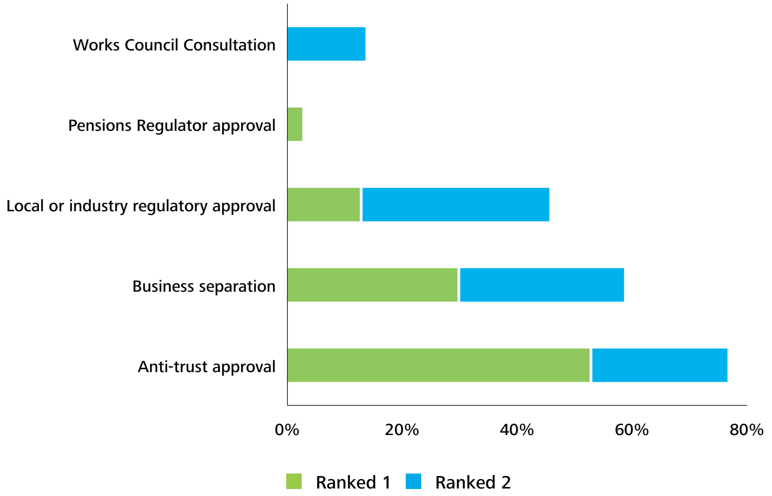


Figure 11. The top drivers of the timescale between the purchase agreement and deal completion



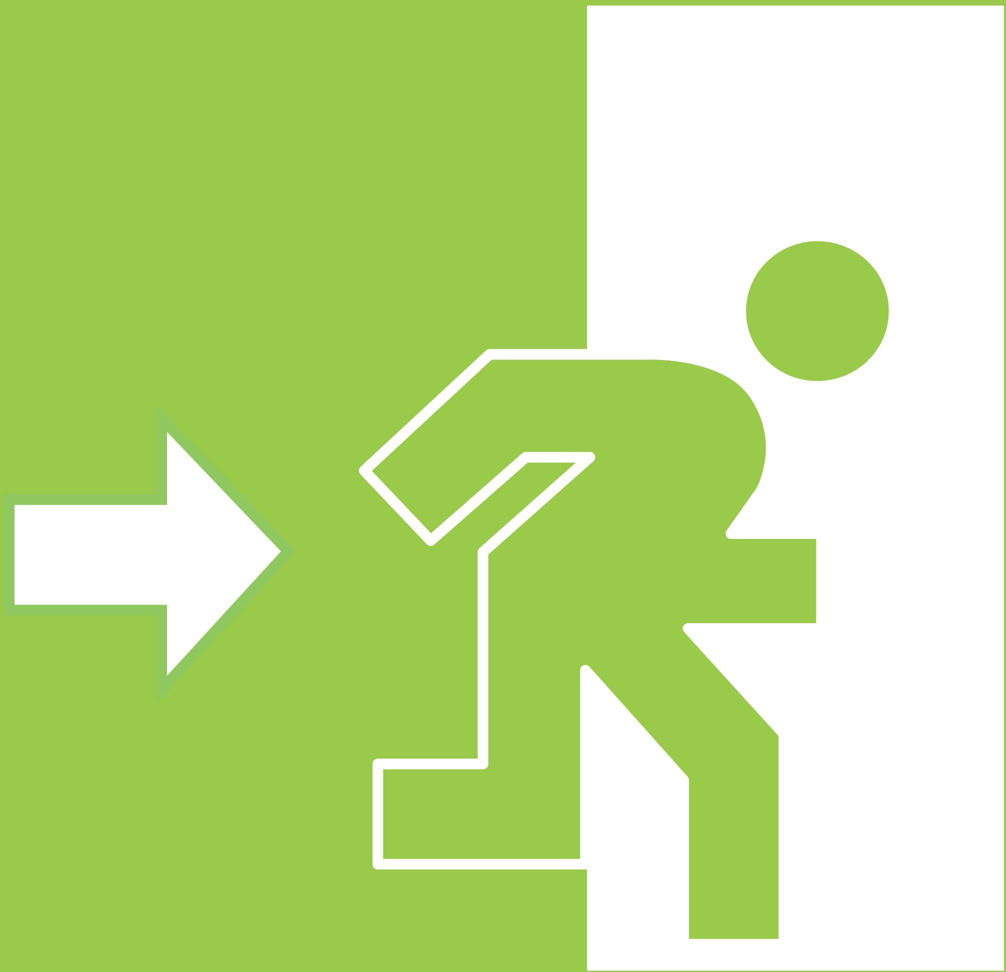
Deloitte viewpoint

There are few shortcuts to planning a sale. We know from our own research that there is a positive correlation between the time taken to prepare a business for sale and the average share price return. So the selling organisation is well advised to start its separation planning early to ensure focus on material issues and to reduce the impact on business-as-usual activities. For this to happen, each of the functions needs to work together and communicate well, presenting their plans and issues to the divestment team.

Divestments are major change programmes in their own right and need to be considered against the backdrop of any corporate change programmes. If there is an IT change programme in progress, for instance, this will impact the IT services that can be provided to the divestment process and to the divested entity. Prioritisation of projects, including the divestment, will need to take place as part of the upfront planning. The change management aspects for the retained businesses cannot be under-estimated and consideration needs to be factored into a company's planning.

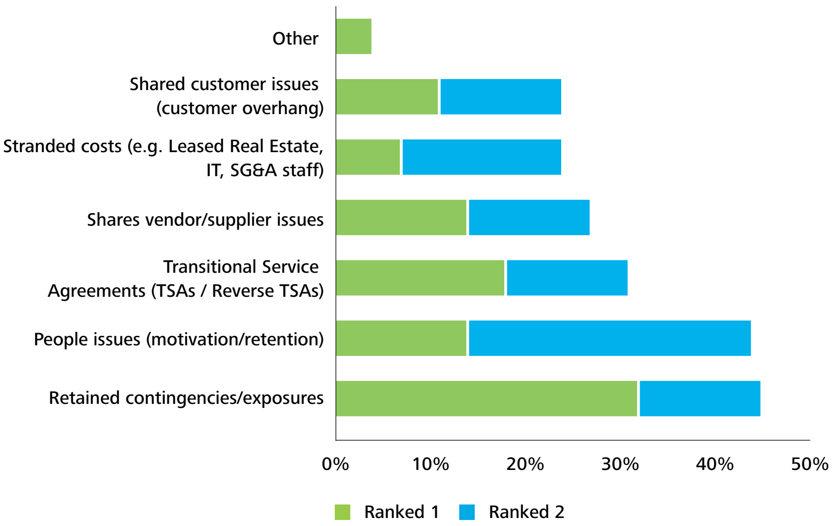
There is little a company can do to accelerate anti-trust or regulatory approval – except keep regulators in the loop. Depending on the country, early engagement with the relevant Workers' Councils or the Pensions Regulator can help smooth the divestment process. Business separation challenges benefit from an early start and a methodical approach to separation planning. Upfront strategic level separation decisions followed by more detailed separation planning will add value and ensure that there will be little or no impact on the day to day operations of the divested business.

Making a quick exit



In an ideal world, a company is divested, money changes hands and everybody goes away happy. In reality, a clean break is rarely possible. There is usually an ongoing relationship and ongoing responsibilities on the part of the seller to the divested company for several months or more. In successful divestments these responsibilities and challenges are not mere by-products of the deal to be dealt with at some distant time in the future, but are addressed as part of the sale agreement. The response to these challenges will play a part in determining the success and price of the deal – they will certainly impact the future performance of divested company and seller.

Figure 12. Rank your biggest continuing challenge, once the divestment is completed



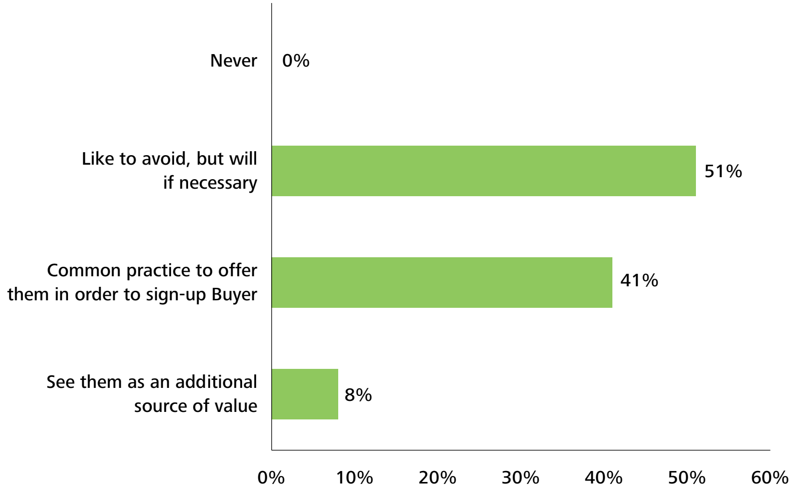
It is rare for divestments to be fully standalone at deal completion; however, few purchasers would sign on the dotted line if they thought operations would suffer in the first few months of the transition period. They have relied on the parent's services up to this point and often require ongoing support to ensure business continuity. This is why Transitional Service Agreements (TSAs) are so important. They are seen by respondents as one of the biggest ongoing challenges post-divestment as the seller is typically not an outsource provider. This can lead to expensive and under-performing services for both parties.

Providing TSAs are frequently a necessary evil of doing a deal and make the acquisition more palatable to potential buyers who would otherwise not be able or willing to engage in the bidding process. As part of being a prepared seller, the parent company should be clear about what services it is willing to provide, for how long and the cost of those services.

TSA agreements can be in place for extended periods, so sellers need to dedicate sufficient time and thought to establishing and structuring them so they can be concluded as early as possible, and consume as little management time and resource as possible.

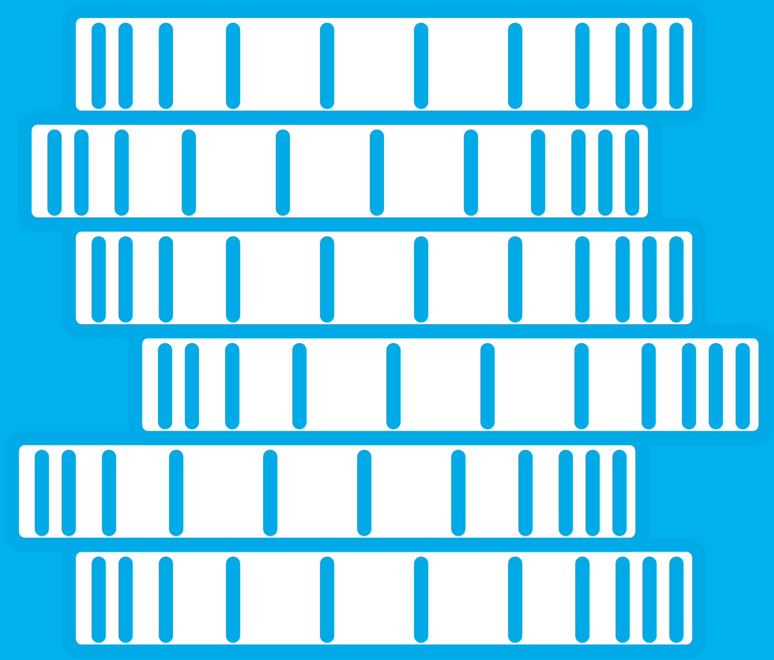
While most (51 per cent) companies would like to avoid TSAs altogether, a few (8 per cent) see the potential additional source of value and focus closely on them during the deal.

Figure 13. What is your organisation's practice of providing TSAs?



Deloitte viewpoint
It is often only through the disposal process that the dependence of the divested business on its parent becomes clear. It is important separation planning includes TSA options which contain as much detail as possible to protect the seller's ongoing business from management distraction and unnecessary costs. It is also in the interest of the new owner to have well-crafted TSAs so it is clear what services they will receive, for how long and what the costs will be. The selling organisation would be well advised to structure the agreements in such a way that they increase the incentive for the buyer to establish the required capabilities and for the TSA period to end as quickly as possible. Consideration also needs to be given to the tax implications of providing transitional services, particularly in financial services.

Dealing with stranded costs



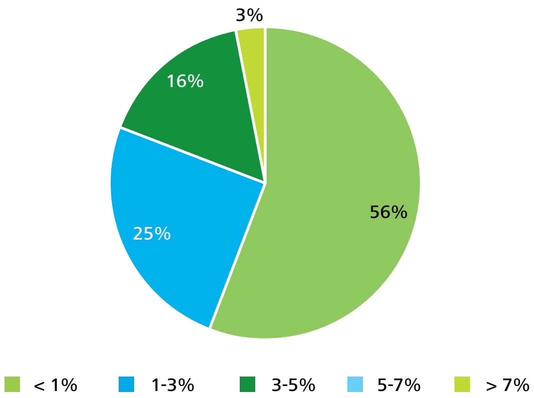
The costs of supporting a newly-divested business are not the only post-deal costs that need to be considered. There are also (stranded) costs that must be borne by the parent, as Figure 14 shows. These are costs that were previously incurred in supporting a larger group which included the divested entity.

When a company divests a material business unit, it is often left with a legacy cost structure that is bloated compared with the size and scale of the retained business. The seller has to plan well to make sure that stranded costs do not permanently impair shareholder value.

Sometimes the vendor is able to transfer shared cost areas as part of the disposal, but often this is not possible. Where the cost involves a property or a large, integrated IT system or an inflexible contract with a supplier, the costs often cannot be shared. These costs can be considerable – sometimes more than 7 per cent of total revenue, according to the survey – but are often addressed late or not at all.

The level of stranded costs can vary, but the survey shows that for a large portion of the respondents these costs amounted to significantly more than 1 per cent of the retained business revenue. Considering that over half of the surveyed organisations had annual turnover of more than €1bn and that over a third was over €5bn in revenue, the level of stranded costs is clearly material.

Figure 14. Level of ongoing stranded costs left to be removed from the retained business – measured as a percentage of the retained business revenue



Deloitte viewpoint

Assessing stranded costs that will remain with the parent is not often a consideration when a deal is on the table. But the hit to earnings and therefore, shareholder value can be significant. Rather than stranded costs being an afterthought in a divestment, they are best identified and planned for as early as possible in the transaction process. By assessing whether stranded costs will arise this may change the make-up of the deal being offered.

Planning to eliminate stranded costs can help a company execute a structured programme for cost reduction. This requires setting targets for cost reduction post divestment and developing specific initiatives in a given timeframe to reduce costs. These initiatives will also need to take into account the duration of TSAs post disposal.

Conclusion and recommendations

With the ongoing Eurozone crisis and global deleveraging, the confidence of many corporates in the UK and Europe remains fragile and their balance sheets uncertain. In order to maximise the value of their business portfolios, companies will continue to examine potential divestments. Vendors and purchasers may extract maximum value in the divestment process by taking note of the following best practice points and recommendations:

For Vendors

- Clarity on separation boundaries
- Early separation planning for higher value
- Maximise number of bidders to achieve best price
- Look at deals through the eyes of bidders
- Do not delay tackling stranded costs

For Purchasers

- Clarity on what is being purchased
- Validate all one-off and recurring costs
- Do not underestimate the complexity of deals
- Negotiate extensions to TSAs as a safety net
- Push for a fully-tested separation plan

Survey methodology and contacts

This report is based on a survey of professionals from organisations which have been involved in recent divestments. The survey was conducted from 31 January to 26 April 2012, and was completed by 40 professionals who answered a series of questions on divestment strategy, execution and results.

Of the total respondents, 21 per cent were heads of M&A, and 13 per cent were CFOs, with the others a good cross section of executives who were closely involved in divestment activity.

The organisations surveyed represented a cross section of sectors, with 28 per cent from the Business & Professional Services sector, 23 per cent from Manufacturing, and 18 per cent from the Technology, Media & Communications sector.

Over 70 per cent of the respondents were from organisations with turnover in excess of €1bn, and 40 per cent of respondents were from organisations with total turnover in excess of €5bn.

We thank them all for their time.

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